

03 AUG 2003

Mahathir-Water

DR M BELIEVES S'PORE WILL DELAY ARBITRATION ON WATER DISPUTE

PORT DICKSON, Aug 3 (Bernama) -- Datuk Seri Dr Mahathir Mohamad said today that he believes Singapore will delay the arbitration process for settling its water dispute with Malaysia.

"I believe Singapore will delay it because they are hoping that come 2011, then the agreement will expire," the Prime Minister said when commenting on Malaysia's move to use arbitration to settle the dispute on the price of water it sells to Singapore.

Dr Mahathir was met by reporters after attending the Prime Minister's Office Welfare and Sports Body Family Day at Hotel Guoman near here.

He said Malaysia would try to get the arbitration process going as soon as possible.

Dr Mahathir had said two days ago that the door for negotiations on the water price was closed and that the issue would have to be resolved through arbitration.

Singapore buys raw water from Malaysia at three sen per 1,000 gallons under two agreements, one signed in 1961 and the other in 1962. The first agreement expires in 2011.

Dr Mahathir dismissed allegations that Malaysia was using this issue to try and make big profits and check Singapore's development.

"Our income (from the water sale) is not much. We are only holding to principle. This is three sen, even if you don't pay it doesn't matter. But as a matter of principle, when we sell things, buy things, the price must be fair," he said.

Dr Mahathir said Malaysia was explaining the issue to all because it was Singapore which started it by hurling allegations against Malaysia.

"We are explaining this issue. We would not be explaining if they had not made baseless allegations against us, especially the Singapore Foreign Minister who made a statement in Parliament, released our letters, made public our letters and after that published a booklet.

"We just want to tell the truth, nothing else," he said.

Asked on a July 28, 2003 article written by Singapore stringer Chen Jinshun entitled "Tunku Abdul Rahman's Name Indirectly Smeared", Dr Mahathir said it was aimed at sidetracking the issue.

"That is just trying to divert attention to other things. The actual issue is the water price at three sen. Because previously we had no power, we had to consider the problems faced by the Singapore government when we were negotiating.

"If you calculate, even if they (Singapore) pay RM10 per 1,000 gallons, they will not become poor.

"Singapore is rich and its per capita income is \$24,000; ours is only RM4,000. How can we give it to them like that? They are a rich country," he said.

At the Family Day function, attended by more than 500 people, Dr Mahathir won a "teh tarik" competition for men while his wife, Datin Seri Dr Siti Hasmah Mohamed Ali, emerged second in the women's category.

-- BERNAMA

APG YBY